

Testimony of Ruth White, Executive Director
National Center for Housing and Child Welfare

Prepared for the Connecticut General Assembly Appropriations Committee
Public Hearing Regarding the Governor's Proposed Midterm Budget Adjustments
February 17, 2012

My name is Ruth White, and I am the Executive Director of the National Center for Housing and Child Welfare. Thank you, Co-Chairs Harp and Walker, for the opportunity to address the Committee today and for your work to improve the lives of Connecticut's most vulnerable families and children. I'm here to urge the Appropriations Committee to reject the Governor's request to reallocate \$6,351,000 from the Department of Children and Families (DCF) to the Department of Economic and Community Development (DECD). Doing so will disrupt one of Connecticut's most essential and cost-effective child welfare interventions, supportive housing for families.

We applaud Governor Malloy's robust initiative to increase affordable housing and end homelessness in the state. However, I wish to express my deep concerns about disrupting DCF's current approach to meeting the needs of vulnerable families.

As a professional with 15 years' experience working on policies that affect families caught at the intersection of homelessness and child welfare, and co-founder of NCHCW, the nation's leading authority on housing interventions for child welfare families, I would like to share four compelling reasons for leaving DCF's current programming intact:

1. DCF's current approach is a nationally renowned, cost-effective, evidence-based Level of Care within the formal child welfare system that improves the safety, permanency, and well-being of children throughout the state.
2. The basis of the program's success is the resource sharing, partnership, and shared understanding between DCF, DSS, DMHS, and the lead private partner, The Connection, Inc. Disrupting that delicate balance risks destroying the very nature of the program.
3. The Supportive Housing for Families (SHF) Program already contributes substantially to the Governor's goal of improving housing affordability in the state.
4. By leaving the funding within DCF, the state stands to capitalize upon current efforts at the federal level to improve the flexibility of Title IV-E child welfare funding, which over time will allow the state to draw down federal reimbursement for the SHF approach, including the portion of state funding which supports affordable housing.

DCF's current approach is a nationally renowned, cost-effective, evidence-based Level of Care within the formal child welfare system that improves the safety, permanency, and well-being of children throughout the state.

SHF is a unique, nationally renowned Level of Care service within the formal child welfare system that safely reduces the need for out-of-home placement. While SHF relies heavily on the availability of affordable housing subsidies to improve the residential stability of families, safe housing simply provides a platform for trauma-informed therapy and self-sufficiency services.

Families and youth in the child welfare system face enormous economic challenges. Child welfare agencies go to great lengths to remediate these issues and as a result, the majority of children reunite safely and successfully with their parents. However, nearly a third of the 423,000 children in the foster care system remain separated from their parents because their families lack safe, decent housing. This is an unwise and costly practice both in terms of the emotional toll levied upon each mother and child and in terms of the substantial cost to the American taxpayer.

On average, it costs nearly \$48,000 per family for children to enter foster care. By contrast, it costs just over \$15,000 annually to house one family and provide supportive services to support their stability in housing. The Center estimates that the state of Connecticut could actually save \$63 million in foster care expenditures by providing housing and supportive services to all families in the state who are separated because of affordable housing – assuming that number were 30% of all children in care. In fact, when SHF reunifies the 592 children currently on their waiting list with affordable housing and services, the state will save more than \$1.3 million in foster care expenditures.

In addition to these impressive savings associated with SHF, a decade long research effort by the University of Connecticut has shown that the families experience significant improvements in housing stability, substance abuse recovery, health, mental health, employment, family preservation and family reunification. This is consistent with findings from several other studies that provide statistically significant data that housing can be an effective child welfare intervention and often outperforms the traditional, therapeutic approach. In a review of family preservation and family support programs, Chaffin, Bonner, and Hill found that programs designed to meet basic needs were more effective at preventing recurrence of maltreatment than programs which offered parenting and child development-oriented services. Eamon and Koppel (2004) found that families assisted with housing subsidies had reduced rates of out-of-home placement, fewer days in substitute care, and a greater rate of reunification resulting in significant cost savings to the state.

In short, while housing is cornerstone of the SHF approach, it is merely a platform to assure that families improve their lives in order to provide a safe, nurturing environment for their children. It is child welfare intervention that fits squarely within the Department of Children and Families.

The basis of the program's success is the resource sharing, partnership, and shared understanding between DCF, DSS, DMHS, and the lead private partner, The Connection, Inc. – disrupting that delicate partnership risks destroying the very nature of the program.

1996, the Connecticut Department of Social Services and the Department of Families and children forged a partnership that has allowed them to share resources, reduce bureaucracy, and get parents in the child welfare system the self-sufficiency services they need to keep their families together and safe. In order to carry out the work of this partnership, The Connection, Inc. was retained early on to create the Supportive Housing for Families® Program (SHF). SHF couples intensive case management with permanent housing in order to improve the lives of thousands of Connecticut's most vulnerable children.

The kind of partnership that the state agencies have developed in Connecticut is exactly the type of coordination that the U.S. Interagency Council on Homelessness, HUD and HHS are calling for in the Federal Strategic Plan to End Homelessness.

Thankfully, because the leaders of DCF and DSS have grown their partnership over the past decade, Connecticut already has the infrastructure and evidence-based expertise carry out Commissioner Katz' bold commitment to increase family preservation, family reunification, and to improve self-sufficiency services for youth aging out.

The delicate, sophisticated, and interconnected nature of this work is made possible by the resource sharing and braiding of funding currently underway between DSS and DCF. As such, we urge the Committee to reject the Governor's request to disrupt it.

The Supportive Housing for Families (SHF) Program already contributes to the Governor's goal of improving housing affordability in the state.

Again, we admire the Governor's robust commitment to housing affordability for the state at a time when housing is out of reach for so many. The SHF Program stands ready to support the Governor's laudable goal of ending homelessness throughout the state. Currently, SHF contributes toward this goal with a number of impressive results:

- **Ending homelessness and keeping Connecticut's kids safe:** More than 1,129 families have found the stability and economic security necessary to improve their lives and provide safe, nurturing environments for 3,047 children.
- **Using state resources wisely to cut costs for the Connecticut taxpayers:** Of the 897 families on the SHF wait list, 265 are reunification families. Currently, 592 children are at risk for remaining in out-of-home placement due to lack of housing which costs the state \$3,747,321 annually. The cost of reunifying these same children currently on the waitlist is \$2,438,000 resulting in a savings of \$1,309,321 to the State of Connecticut.
- **Moving families up and out of homelessness and toward self-sufficiency:** Research by UCONN demonstrates that these families experience significant improvements in housing stability, substance abuse recovery, health, mental health, employment, family preservation and family reunification.
 - Case manager Chelsea Humphrey recently told me of a mother who was unemployed, homeless and separated from her children. Upon receiving a housing subsidy she found suitable housing and employment, and her children were returned from foster care. She took advantage of intensive case management services and decided to go back to school. Upon graduation, her income improved from \$9 to \$13 as a certified nursing assistant. This story is not unique. The intensive case management provide through SHF improves housing affordability by improving household income overtime.
- **Housing the "hard to house":** They are extremely vulnerable and face enormous challenges. These families often have histories of trauma, substance abuse, mental illness and domestic violence. Trauma-informed care dictates that we meet the needs of these families in a timely and efficiently manner.

The Governor's reallocation request will stall this progress and immediately displace 291 families currently housed through the SHF housing funds. An additional 84 families who are currently awaiting housing funds would be dropped off of the waiting list and lose all hope of reunification.

By leaving the funding within DCF, the state stands to capitalize upon current efforts at the federal level to improve the flexibility of Title IV-E child welfare funding, which over time will allow the state to draw down federal reimbursement for the SHF approach, even that portion of the state funding which supports affordable housing.

There are a number of new opportunities at the federal level to improve the flexibility of federal child welfare finance in an effort to reform the way communities serve vulnerable families, such as the *Child and Family Services Improvement Act of 2011* and the *Child Welfare Reform Initiative* in the President's 2013 budget request. These changes to federal child welfare finance law will allow states like Connecticut to draw down federal reimbursement for expenditures like SHF that safely reduce the number of children in the child welfare system. If the SHF funds are moved from DCF into DECD, Connecticut will forfeit the opportunity to seek a federal match for these funds in the future.

I must again stress that Connecticut, unlike most states, already has the infrastructure to expand this program – and I urge you to do so. Across the country as we all face this economic crisis, child welfare professionals are increasingly in the unenviable position of separating families due to poverty. Leaders in states across the country will have to address this growing problem but as called for in the Federal Strategic Plan to End Homelessness, it will take them time to build the partnerships necessary to bridge the housing-child welfare gap and this will mean that initially, these children will simply go into foster care. Increasingly, states and cities will look to Connecticut to learn how to build the kinds of partnerships necessary to appropriately reduce homelessness and use their state dollars more wisely.

Under the leadership of Commissioner Justice Katz, DCF serves as the model in child welfare reform aimed at keeping families together and safe through savvy investments in evidence-based permanent supportive housing. By preserving the funding for SHF within DCF, the Committee has an opportunity to recognize and reward the Department for its hard work to and continue an evidence-based child welfare intervention that inspires improvements nationwide.

Again, we admire the Governor's robust affordable housing goals. We urge you to recognize that DCF's is an important partner in moving the state toward this goal through the SHF program – and that a reallocation of SHF funding would hinder the Governor's efforts to provide safe, decent housing to the states most vulnerable families.

Thank you for taking the time to listen and for holding this important hearing today.